

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

Lordstown Motors Corp., *et al.*¹

Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Re: Docket No. 182

**DECLARATION IN SUPPORT OF RETENTION OF RSM US, LLP
AS PROFESSIONAL UTILIZED IN ORDINARY COURSE OF BUSINESS**

I, Aditya Mehta, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true to the best of my knowledge, information, and belief.

1. I am a Partner of RSM US, LLP, located at 1330 Post Oak Blvd., Suite 2400, Houston, TX 77056 (the “**Firm**”), which has been retained by one or more of the debtors or debtors in possession (collectively, the “**Debtors**”), in the above captioned Chapter 11 Cases, in the ordinary course of the Debtors’ businesses. The Debtors wish to retain the Firm to continue providing ordinary course services during the Chapter 11 Cases, and the Firm has consented to provide such services. This Declaration is submitted in compliance with the *Order (A) Authorizing Retention and Payment of Professionals Utilized in the Ordinary Course of Business and (B) Granting Other Related Relief* (the “**Ordinary Course Professionals Order**”). I have reviewed the Ordinary Course Professionals Order, and I understand the limitations on compensation and reimbursement under such order.

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors’ service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

2. On February 7, 2023, the Debtors retained the Firm to provide accounting and financial reporting services (the “**Services**”). The Services include the following:

- a. Assistance with preparation of financial statements and regulatory filings;
- b. Assistance with performing accounting analyses and documenting findings in accounting memorandums

3. The Firm may have performed services in the past two (2) years, may currently perform services, and may perform services in the future in matters unrelated to the Chapter 11 Cases for persons that are parties in interest in the Chapter 11 Cases, including:

Dechert LLP
KPMG LLP
Kurtzman Carson Consultants, LLC
Latham & Watkins LLP
Nelson Mullins Riley & Scarborough LLP
Paul Hastings LLP
Paylocity Corporation
San Diego Unified Port District
U.S. Department of Justice
Winston & Strawn LLP

As part of its customary practice, the Firm is retained in transactions involving many different parties, some of whom may represent or be employed by the Debtors, claimants, and parties in interest in the Chapter 11 Cases. The Firm does not perform services for any such person in connection with the Chapter 11 cases, or have any relationship with any such person, their attorneys, or their accountants that would be adverse to the Debtors or their estates.

4. Neither I nor any principal, partner, director, or officer of, or professional employed by, the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principal and regular employees of the Firm.

5. Neither I nor any principal, partner, director, or officer of, or professional employed by, the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their estates with respect to the matter(s) upon which the Firm is to be employed.

6. The Firm intends to bill the Debtors for professional services rendered in connection with the Chapter 11 Cases, in accordance with the Ordinary Course Professionals Order, with such bill to include compensation for services based on the hourly rates set forth below, plus reimbursement of actual and necessary expenses and other charges incurred by the Firm. The principal employees designated to represent the Debtors and their current standard rates are:

Meg Bhatt, Director - \$225/ hour

7. The rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Such rates are the Firm's standard rates for work of this nature. The rates are set at a level designed to fairly compensate the Firm for the work of its employees and to cover fixed and routine overhead expenses.

8. It is the Firm's policy to charge its clients for all other expenses incurred in connection with a client's representation. The expenses charged to clients include, among other things, direct expenses, including as applicable, amounts attributable to travel, meals and fees. The Firm will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to the Firm's other clients.

9. No representations or promises have been received by the Firm, nor by any principal, partner, director, officer, or professional thereof, as to compensation in connection with the Chapter 11 Cases other than in accordance with the provisions of the Bankruptcy Code.

10. As of June 27, 2023 (the “**Petition Date**”), the Debtors owed the Firm \$0 for fees and expenses incurred for prepetition services, the payment of which is subject to the limitations contained in the Bankruptcy Code and any orders of the Court.

11. As of the Petition Date, the Firm held a prepetition retainer of \$0.

The Firm does keep time records in one-tenth of an hour increments in the ordinary course of business.

13. As of the Petition Date, the Firm’s engagement letter contains standard indemnification terms with the Debtors. A copy of that agreement is attached hereto.

14. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of such inquiries, or at any time during the period of its retention, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Declaration.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: August 23, 2023



Name: Aditya Mehta

Title: Partner

Firm: RSM US, LLP

Address: 1330 Post Oak Blvd., Suite 2400,
Houston, TX 77056

Telephone: 713.375.9937

Email: adi.mehta@rsmus.com



RSM US LLP

February 7, 2023

1330 Post Oak Boulevard
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Houston, TX 77056

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F +1 713 625 3535

www.rsmus.com

Adam Kroll
Chief Financial Officer
Lordstown EV Corporation
2300 Hallock-Young Road Southwest
Lordstown, OH 44481

Dear Adam:

This engagement letter ("Engagement Letter") confirms and specifies our understanding concerning a loan of professional staff by RSM US LLP, an Iowa limited liability partnership ("RSM," "we," "us" or "our"), to Lordstown EV Corporation ("Client," "you" or "your"). RSM and Client are each a "party" to this Engagement Letter and collectively referred to herein as the "parties".

A. Loaned Resources and Services

We will provide you with a loan of the RSM resources identified in Section B below ("Loaned Resources"), whom you will direct and supervise in connection with the performance of preparation and review of 10-K and 10-Q ("Loaned Resources Services"). You acknowledge and agree that the Loaned Resources we provide to you may consist of resources from one of our affiliates and/or a third-party contractor, which may result in such affiliate and/or third-party contractor having access to and/or receiving certain protected or confidential information of yours, including outside of the United States.

It is our understanding that you will require the assistance of the Loaned Resources to perform the Loaned Resources Services full time during the period of February 2023 and March 2023 and as needed between April 2023 to May 2023. Should you desire to continue the Loaned Resources' Services after that period, we may be able to accommodate your request and, in such case where we can accommodate your request, the parties will execute a Change Order extending the duration of this engagement for the agreed-upon timeframe, scope and fees. We, however, cannot guarantee that the Loaned Resources will be available after May 15, 2023, due to our obligations to other clients. Adi Mehta will be responsible for the coordination and assignment of the Loaned Resources we provide to you pursuant to this Engagement Letter. In the event you have any questions or concerns about the Loaned Resources or this Engagement Letter, please contact Adi Mehta.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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All of the Loaned Resources' activities under this Engagement Letter will occur remotely or at your offices. You will provide the Loaned Resources with a suitable work environment and with access to a computer, appropriate software, office supplies, and any other support necessary to perform the activities that you direct. The Loaned Resources will not use any of our computers, software, subscriptions, supplies or other support in the activities covered by this Engagement Letter.

You will direct and supervise the Loaned Resources in any activities covered by this Engagement Letter, and we will not exercise any review or oversight of these activities. You solely will be responsible for, and will direct, the schedule, review and approval of all work performed by the Loaned Resources and will determine the sufficiency of the scope and appropriateness of the Loaned Resources' work provided in relation to the intended purpose. In the unlikely event that you are not satisfied with the work of a Loaned Resource, you agree to promptly bring your concerns to our attention. We will also periodically check in with you to ensure you are satisfied with the work performed by the Loaned Resources.

Although you will direct and supervise the Loaned Resources in the performance of the work described in this Engagement Letter, they will remain RSM resources. We will be responsible for payment of their salaries, benefits and other compensation, and will comply with applicable employer requirements, including tax withholding, information reporting, payroll taxes and responsibility for all applicable general and employment practices insurance, including workers' competition insurance.

The work performed by our Loaned Resources under this Engagement Letter will not constitute an audit, review or compilation of your financial statements or any part thereof, nor the external examination of management's assertions concerning the effectiveness of your internal control systems or an examination of compliance with laws, regulations or other matters. Accordingly, the work performed by our Loaned Resources will not result in the expression of an opinion, or any other form of assurance on your financial statements or any part thereof, nor an external opinion or any other form of assurance of your internal control systems or its compliance with laws, regulations or other matters.

B. Fees and Expenses

Our fees for the Loaned Resources' Services described in this Engagement Letter are based on the number of hours worked by the Loaned Resources at the hourly rates set forth below, plus expenses:

Loaned Resource Name (or Level)	Experience Level	Hourly Rate
Meg Bhatt	Director	\$225

In addition to our Fees, you will be invoiced for direct expenses, including as applicable, amounts attributable to travel, meals and fees.

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The Loaned Resources will not exceed forty (40) hours per week without your prior written approval; hours worked in any week are capped at fifty (50) hours. Our fees and expenses will be billed monthly. Each invoice is payable net 45. If you believe that any invoice is incorrect or if you wish to dispute any invoice, you must notify us in writing within ten (10) days of your receipt of the invoice. If you fail to pay any invoice when due, we reserve the right to suspend the performance of the Loaned Resources' activities until your account is paid in full or you have made other payment arrangements satisfactory to us and we will not be responsible for any damages or losses you incur in connection with the suspension of the performance of the Loaned Resources' activities. Our suspension of the Loaned Resources' Services will not affect your obligations to us under this Engagement Letter.

Travel time will not be billed.

C. Invoice Address

Invoices for the Loaned Resources' Services rendered pursuant to this Engagement Letter will be sent to:
ap@lordstownmotors.com

D. Parties' Understandings Concerning Situation Around COVID-19

To the extent any of the services described herein require a party to visit ("Visiting Party") the other party's facilities ("Host Party") in person, the Visiting Party agrees to comply with the Host Party's rules and regulations regarding COVID-19 safety protocols while on the Host Party's premises, provided the Visiting Party is made aware of such rules and regulations. Further, in the event any of the services described herein need to be suspended and/or rescheduled by a party due to the ongoing situation surrounding COVID-19, the party requesting the suspension or rescheduling of the services will provide the other party with prompt written notice of the foregoing. To the extent such suspension and/or rescheduling of the services impacts either the cost of the services or the ability of the Client or RSM to meet any deadlines or timeframes set forth herein, or both, the parties will document this in a written agreement mutually agreed upon and executed by both parties. Each party agrees that: **(I) NEITHER PARTY, NOR THEIR PERSONNEL, WILL BE HELD RESPONSIBLE OR LIABLE TO THE OTHER PARTY FOR ANY LOSSES OR DAMAGES, INCLUDING, BUT NOT LIMITED TO, INTERRUPTION OR LOSS OF BUSINESS, OR ANY LOST PROFITS, REVENUE OR DATA, ARISING FROM OR RELATING TO DELAYS IN THE PERFORMANCE, OR THE NONPERFORMANCE, OF THE SERVICES DESCRIBED HEREIN DUE TO THE SITUATION SURROUNDING COVID-19; AND (II) NEITHER PARTY, NOR ANY OF THEIR RESPECTIVE PERSONNEL, SHALL BE RESPONSIBLE OR LIABLE FOR ANY PERSONAL OR BODILY INJURY ARISING FROM OR RELATED TO EXPOSURE TO COVID-19 THROUGH THE OTHER PARTY'S PERSONNEL IN CONNECTION WITH THE SERVICES, INCLUDING, BUT NOT LIMITED TO, DEATH, OR ANY RESULTING LOSS OR DAMAGE RELATED TO ANY SUCH INJURY, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, REVENUE, AND DATA.**

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E. Understandings with Respect to Management Oversight

In connection with the performance of these Loaned Resources' Services, Client agrees to make all management decisions and perform all management functions; designate an individual who possesses suitable skills, knowledge, and/or experience, preferably within senior management, to oversee such Loaned Resources' Services; evaluate the adequacy and results of the Loaned Resources' Services performed; accept responsibility for the results of the Loaned Resources' Services; and establish and maintain internal controls, including monitoring ongoing activities. Loaned Resources will not perform any management functions, make management decisions, or otherwise perform in a capacity equivalent to that of management or an officer of Client.

F. Terms, Conditions and Limitations

This engagement is expressly subject to the following terms, conditions and limitations:

Confidentiality. Together with the terms in the section below, the terms of that certain Mutual Non-Disclosure Agreement by and between you and us of even date, will govern the use and handling of confidential information by us, you and the Loaned Resources.

Personal Information and Access to and Use of Client Data. Client represents and warrants that it: (i) has provided all notices and obtained all consents required under applicable data protection laws prior to its collection, use and disclosure to RSM or the Loaned Resources of any personal information or data, as may be defined by applicable privacy, data protection, or cybersecurity laws, that directly or indirectly identifies a natural person ("Personal Information"); and (ii) shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

Client authorizes RSM and the Loaned Resources, including those located outside of the United States, to access, view, transfer and/or alter Client's data and information, which may include Personal Information, as needed to carry out the Loaned Resources' Services and the obligations under this Engagement Letter.

Sanctions Affirmations. Each party affirms it has not been placed on a Sanctioned List (as defined below), and will promptly notify the other party upon becoming aware that it has been placed on a Sanctioned List at any time throughout the duration of this engagement. Client shall not, and shall not permit third parties to, access or use any of the Loaned Resources' Services or work product provided by us hereunder in violation of any applicable sanction's laws or regulations, including, but not limited to, accessing or using the Loaned Resources' Services or work product we provide hereunder from any territory under embargo by the United States or Canada. You shall not knowingly cause us to violate any sanctions applicable to us. As used herein "Sanctioned List" means any sanctioned person or entity lists promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, the Consolidated Canadian Autonomous Sanctions List, the United Nations Security Council, the European Union, and United Kingdom.

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Termination. You may terminate this engagement at any time by ten (10) days written notice to us. Subject to any restrictions imposed by applicable ethical rules, we may terminate this engagement at any time upon ten (10) days written notice to you. In addition, either party may terminate this Engagement Letter upon written notice if (i) circumstances arise that in its judgment would cause its continued performance to result in a violation of law, a regulatory requirement, or applicable professional or ethical standards; or (ii) if the other party is placed on a Sanctioned List, or if any director or executive of, or other person closely associated with such other party or its affiliate, is placed on a Sanctioned List. Termination for any reason will not affect your obligation to pay us for fees and expenses incurred prior to termination. All provisions of this Engagement Letter will survive termination, except that (i) we will not have any obligation to provide the Loaned Resources after termination, and (ii) you will not have any obligation to pay us for any services that we perform after termination.

Independent Contractors / No Joint Employment. The relationship between RSM and Client shall be that of independent contractors. None of the provisions of this Agreement are intended to create nor shall they be deemed or construed to create any relationship between RSM and its Loaned Resources on one hand, and Client on the other hand, other than that of independent contractors. Neither RSM and its Loaned Resources, on one hand, nor CLIENT on the other hand, nor any of their respective agents, employees or representatives shall be construed to be the agent, employee or representative of the other. As such, no such Loaned Consultant shall be entitled to, or eligible to participate in any benefits given or extended by Client to the employees of Client. This Agreement shall not create any rights in any third party. This Agreement shall not create, and shall not be construed as creating, any partnership, joint venture, agency relationship, joint employer relationship, employer-employee relationship or any other relationship except that of independent contractors. Nothing contained in this Agreement shall cause either Client or RSM to be liable or responsible for any debt, liability or obligation of the other party or any third party unless such liability or responsibility is expressly assumed by the party sought to be charged therewith.

Nonsolicitation. During the term of this engagement and for a period of one (1) year following its expiration or termination, you will not actively solicit, employ or otherwise engage any of the Loaned Resources who were involved in the engagement. Should you breach this provision, you agree to pay us within thirty (30) days after demand an amount equal to the greater of \$50,000 or 100 percent (100%) of the annual base salary of such resource.

Entire Agreement; Interpretation. This Engagement Letter, including any exhibits or attachments expressly incorporated herein by reference, represents our entire agreement and understanding concerning the loan of the Loaned Resources and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Engagement Letter. The provisions of this Engagement Letter will be construed according to their fair meaning and not strictly for or against any party.

Amendment and Waivers. This Engagement Letter may not be amended except by a written instrument signed by our duly authorized representative. No waiver of any breach of this Engagement Letter will be effective unless the waiver is in writing and signed by the party against whom the waiver will be enforced. No waiver of any one breach will be deemed a waiver of any other or subsequent breach.

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Assignment; No Third-Party Beneficiaries. You may not assign this Engagement Letter to any other party without our prior written consent. There are no third-party beneficiaries to this Engagement Letter.

Governing Law. This Engagement Letter, including, without limitation, its validity, interpretation, construction, and enforceability, and any dispute, litigation, suit, action, claim, or other legal proceeding arising out of or from, or relating in any way to the Loaned Resources' Services provided hereunder, this Engagement Letter, or any provisions herein, will be governed and construed in accordance with the laws of the State of Illinois, without regard to its conflict of law principles, and applicable U.S. federal law.

LIMITATIONS ON LIABILITY. NEITHER RSM NOR ANY LOANED RESOURCES, CONTRACTORS, OR AFFILIATES OF RSM (COLLECTIVELY, THE "RSM PARTIES" AND EACH, INDIVIDUALLY, AN "RSM PARTY") WILL HAVE ANY LIABILITY FOR ANY ACT OR OMISSION TAKEN OR OMITTED BY ANY LOANED RESOURCE PURSUANT TO ANY EXPRESS OR IMPLIED DIRECTION OR AUTHORITY DELIVERED BY YOU OR ANY OF YOUR EMPLOYEES OR AGENTS. FURTHER, IN NO EVENT WILL THE TOTAL AGGREGATE LIABILITY OF THE RSM PARTIES RELATING TO OR ARISING FROM THE LOANED RESOURCES' SERVICES, REGARDLESS OF THE CIRCUMSTANCES OR NATURE OR TYPE OF CLAIM, INCLUDING, WITHOUT LIMITATION, CLAIMS ARISING FROM AN RSM PARTY'S NEGLIGENCE OR BREACH OF CONTRACT OR WARRANTY, OR RELATING TO OR ARISING FROM A GOVERNMENT, REGULATORY OR ENFORCEMENT ACTION, INVESTIGATION, PROCEEDING, OR FINE, EXCEED THE AMOUNTS YOU PAY TO US DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTHS UNDER THIS ENGAGEMENT LETTER. RSM'S AFFILIATES, CONTRACTORS, AND LOANED RESOURCES ARE EACH INTENDED THIRD-PARTY BENEFICIARIES TO THIS ENGAGEMENT LETTER SOLELY INSOFAR AS IS NECESSARY FOR THEM TO ENFORCE THE LIMITATIONS OF LIABILITY PROVISIONS SET FORTH IN THIS ENGAGEMENT LETTER.

Indemnification. You will indemnify us for any loss, liability or obligation arising out of or relating to (i) any act or omission taken or omitted by any Loaned Resource pursuant to any expressed or implied direction, or authority delivered by you or any of your employees or agents, and (ii) your failure to fulfill your obligations under this Engagement Letter. Subject to the limitations in the preceding paragraph, we will indemnify you for any loss, liability or obligation arising out of or relating to our failure to fulfill our obligations under this Engagement Letter.

Limited Disclosure of Information for Evaluating Independence. We are a member of RSM International, a network of independent accounting firms. Professional rules require us to evaluate auditor independence, taking into consideration both our services to you and your affiliates and any services to you and your affiliates performed by other member firms of RSM International. To permit us to comply with these independence rules, you agree that we may disclose to and discuss with RSM International and its member firms (i) the name of any corporation, partnership, trust, limited liability company, or other entity for whom we perform services; (ii) any ownership relationship between that corporation, partnership, trust, limited liability company, or other entity and any other entity; and (iii) the nature of the services that we perform. This information will be used solely for the purpose of evaluating the independence of us and other members of RSM International.

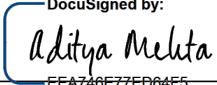
Lordstown EV Corporation
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G. Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to the terms of this Engagement Letter and any specified exhibits or attachments attached hereto. Each party and its signatory below represent that said signatory is its duly authorized representative and has the requisite power and authority to bind such entity to the undertakings and obligations contained herein.

AGREED TO AND ACKNOWLEDGED BY:

RSM US LLP

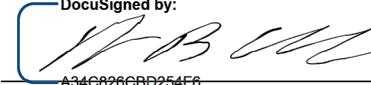
By: 
Aditya Mehta
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Name: Adi Mehta

Title: Partner

Date: 07-Feb-2023

Lordstown EV Corporation

By: 
Adam Kroll
A34C626CB0D254F0...

Name: Adam Kroll

Title: CFO

Date: 07-Feb-2023

FEIN/Tax ID Number: FEIN/Tax ID

2/7/2023 8:46 AM

Engagement Letter Loan Staff or Staff Augmentation Services Non-Attest 01-27-2023

Options to return signed contract:
1. DocuSign
2. Email: CMTAcceptance@rsmus.com
3. Fax: 877 281 9587
4. Mail: RSM US LLP, Attn: Client Resource Center, 201 First Street SE, Suite 800, Cedar Rapids, IA 52401